

Message Text

UNCLASSIFIED

PAGE 01 ABIDJA 07418 01 OF 02 131737Z

51

ACTION TRSE-00

INFO OCT-01 AF-10 ISO-00 EB-11 H-03 AGR-20 SWF-02 EUR-25

ARA-16 EA-11 NEA-14 FEAE-00 INT-08 L-03 COME-00 AID-20

OMB-01 CIEP-03 CEA-02 FRB-03 CIAE-00 INR-11 NSAE-00

RSC-01 DRC-01 /166 W

----- 006154

R 131650Z SEP 74

FM AMEMBASSY ABIDJAN

TO SECSTATE WASHDC 198

UNCLAS SECTION 1 OF 2 ABIDJAN 7418

E.O. 11652: N/A

TAGS: EFIN, IV, XA, AFDB

SUBJECT: INFORMATION ON AFRICAN DEVELOPMENT FUND (AFDF)

REF: STATE 197081

WE RECEIVED TODAY FROM PRESIDENT LABIDI OF THE AFRICAN DEVELOPMENT BANK (AFDB) THE FOLLOWING INFORMATION REQUIRED REFTEL:

A. NUMBER, AMOUNT, SECTOR AND RECIPIENTS OF AFRICAN DEVELOPMENT FUND LENDING AS OF 31 AUGUST 1974:

SINCE FUND INCEPTION TO ABOVE DATE, AFRICAN DEVELOPMENT FUND HAS MADE 10 LOANS TOTALLING 21.25 MILLION UNITS OF ACCOUNT. OF THIS TOTAL, 8.73 MILLION U.A. WAS FOR AGRICULTURAL PROJECTS; 4.92 MILLION WAS FOR TRANSPORT SECTOR LOANS; AND 7.6 MILLION FOR THE PUBLIC UTILITIES SECTOR. ON A REGIONAL BASIS, CENTRAL AFRICA RECEIVED 8.2 MILLION; EAST AFRICA .35 MILLION; NORTH AFRICA (INCLUDING MAURITANIA) 7.78 MILLION; AND WEST AFRICA (WHICH INCLUDES THE OTHER SAHELIAN COUNTRIES) 4.92 MILLION. INDIVIDUAL LOANS BY RECIPIENTS, SECTOR, DATE APPROVED, AMOUNT ARE AS FOLLOWS:

RECIPIENTS	SECTOR	DATE APPROVED	AMOUNT LOANED
IN UNITS OF ACCOUNT			

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ABIDJA 07418 01 OF 02 131737Z

CHAD	AGRICULTURE	3/74	4,000,000
------	-------------	------	-----------

DAHOMY	AGRICULTURE	3/74	160,000
MALI	PUBLIC UTILITIES	1/74	4,000,000
MALI	TRANSPORTATION	1/74	360,000
MAURITANIA	PUBLIC UTILITIES	5/74	180,000
RWANDA	AGRICULTURE	5/74	4,200,000
SUDAN	TRANSPORTATION	5/74	4,000,000
SWAZILAND	AGRICULTURE	3/74	350,000
UPPER VOLTA	TRANSPORTATION	6/74	400,000

1 UNIT OF ACCOUNT EQUALS US\$1.11

WILL POUCH DETAILED BREAKDOWN TO AF/EPS TODAY.

B. AMOUNT OF RESOURCES CONTRIBUTED TO AFRICAN DEVELOPMENT FUND
AS OF 31 AUGUST 1974.

CONTRIBUTION

CONTRIBUTOR	IN MILLION U.S.DOLS		IN MILLION U.A.
AFDB	5.5	5	
BELGIUM	3.3	3	
BRAZIL	2.2	2	
CANADA	16.6	15	
DENMARK	5.5	5	
FEDERAL REPUBLIC OF GERMANY (X)	16.5		14.9
FINLAND	2.2	2	
JAPAN	16.6	15	
NETHERLANDS	4.4	4	
NORWAY	5.5	5	
SPAIN	2.5	2	
SWEDEN	5.5	5	
SWISS CONFEDERATION	3.3		3
U.K.	5.8	5.2	
TOTAL	97.9	88.1	

(X) (FEDERAL REPUBLIC OF GERMANY CONFIRMED ITS INTENTION TO
DOUBLE SUBSCRIPTION. AMOUNT SHOWN IS WHAT ITS CONTRIBUTION WILL
BE WHEN ALL LEGAL PROCEDURES ARE COMPLETED).

C) STATUS OF ARAB OIL FUND AND ELIGIBILITY CRITERIA AS DETERMINED
BY THE OAU IS AS FOLLOWS:

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ABIDJA 07418 01 OF 02 131737Z

1) IN JANUARY 1974 ARAB PETROLEUM MINISTERS DECIDED TO SET ASIDE
200 MILLION DOLLARS AS A LOAN FUND TO ASSIST AFRICAN ECONOMIES
IN ALLEVIATING THE EFFECTS OF HIGH OIL PRICES. LOANS FROM THIS FUND
WOULD BEAR AN INTEREST OF 1 PERCENT PER ANNUM, REPAYABLE OVER
5 YEARS AFTER A 3 YEARS GRACE PERIOD. IN JUNE THE OAU COUNCIL OF
MINISTERS ASKED THAT THE FUND BE TRANSFERRED TO THE AFDB FOR
ADMINISTRATIVE PURPOSES. IN ADDITION, AN OAU COMMITTEE CONSISTING

OF MINISTERS OF FOREIGN AFFAIRS OF BOTSWANA, CAMEROUN, GHANA, MALI, SUDAN, TANZANIA AND ZAIRE WAS ASKED TO OUTLINE THE TERMS AND CONDITIONS OF ACCESS TO THE FUND. THE MINISTERIAL COUNCIL AGREED THAT THE FUND WOULD BE OPEN TO ALL OIL-IMPORTING MEMBER STATES AND SPECIAL ATTENTION WOULD BE GIVEN TO LAND-LOCKED AND DROUGHT STRICKEN COUNTRIES.

2) AFDB PROPOSED THAT THE ARAB FUNDS AS WELL AS ANY ADDITIONAL CONTRIBUTIONS FOR SIMILAR PURPOSES FROM NON-ARAB, OIL-PRODUCING

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 ABIDJA 07418 02 OF 02 131728Z

51

ACTION TRSE-00

INFO OCT-01 AF-10 ISO-00 EB-11 H-03 AGR-20 SWF-02 EUR-25

ARA-16 EA-11 NEA-14 FEAE-00 INT-08 L-03 COME-00 AID-20

OMB-01 CIEP-03 CEA-02 FRB-03 CIAE-00 INR-11 NSAE-00

RSC-01 DRC-01 /166 W

----- 006056

R 131650Z SEP 74

FM AMEMBASSY ABIDJAN

TO SECSTATE WASHDC 199

UNCLAS SECTION 2 OF 2 ABIDJAN 7418

COUNTRIES ALSO COULD BE USED FOR ECONOMIC DEVELOPMENT PURPOSES WHICH ARE CLOSELY RELATED TO THE OIL SITUATION. MOST TRANSACTIONS WOULD BE IN THE FORM OF LONG OR MEDIUM-TERM LOANS AT CONCESSIONARY TERMS. THE BANK AND OAU SECRETARIAT PROPOSED AN ALLOCATION OF THE FUND WHICH WOULD CREATE CREDIT CEILINGS FOR THE BENEFICIARY STATES ON THE RECOMMENDATIONS OF THE OAU MINISTERIAL COUNCIL. SUCH ALLOCATIONS WOULD TAKE INTO CONSIDERATION INCREASES IN OIL IMPORT BILL; THE STATUS OF A COUNTRY - AS EITHER LAND-LOCKED AND/OR DROUGHT STRICKEN; THE LEVEL OF GDP; AND THE PRESENT PRICES OF THE COUNTRY'S PRIMARY EXPORT COMMODITIES.

3) WHILE THE OAU COMMITTEE HAS APPEALED TO ELIGIBLE COUNTRIES WHO ARE MEMBERS OF THE ARAB LEAGUE TO WAIVE THEIR RIGHTS OF ACCESS TO THE FUND, ONLY SUDAN AT THIS POINT HAS DONE SO.

4) THE COMMITTEE HAS AGREED THAT ON ACCEPTANCE OF A LOAN PROPOSAL THE BANK WILL DISBURSE 25 PERCENT IMMEDIATELY AND THE RMAINDER ON FINALIZATION OF LOAN FORMALITIES. TERMS AND CONDITIONS REMAIN THE SAME AS OUTLINED BY THE ARAB PETROLEUM CONFERENCE IN JANUARY, I.E., 1 PERCENT INTEREST, 3-YEAR GRACE PERIOD, AND 5-YEAR RE-PAYMENT. AMOUNTS RECEIVED IN SETTLEMENT OF THESE LOANS AS WELL AS ANY OTHER CONTRIBUTION FOR THIS PURPOSE WILL CONSTITUTE A SPECIAL REVOLVING FUND IN THE AFDB TO BE USED CONTINUALLY TO SUPPORT BALANCE OF PAYMENTS PROBLEMS COMPLICATED BY OIL PRICES;
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ABIDJA 07418 02 OF 02 131728Z

ALL OAU MEMBER STATES WILL BE ELIGIBLE TO BORROW FROM THIS FUND. THE SECRETARY GENERAL OF THE ARAB LEAGUE HAS BEEN REQUESTED TO CONSULT WITH THE SECRETARY GENERAL OF THE OAU AND THE PRESIDENT OF THE AFRICAN DEVELOPMENT BANK AS TO THE ALLOTMENT OF THE LOAN FUND AND SUBSEQUENT DISBURSEMENT. INITIAL CONTACTS HAVE BEEN MADE BETWEEN THE THREE ORGANIZATIONS INVOLVED AND DISCUSSIONS ARE STILL UNDERWAY.
SMITH

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ACCOUNTS, DEVELOPMENT LOANS, LOANS, FINANCIAL CONTRIBUTIONS, ECONOMIC PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 13 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ABIDJA07418
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740256-1031
From: ABIDJAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740949/aaaabprl.tel
Line Count: 192
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION TRSE
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: STATE 197081
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 16 JUL 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 JUL 2002 by maustmc>; APPROVED <29 JAN 2003 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INFORMATION ON AFRICAN DEVELOPMENT FUND (AFDF)
TAGS: EFIN, IV, XA, AFDB, AFDF-AFRICAN DEVELOPMENT FUND, (LABIDI)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005